

February 22, 1999

H.R. 701 is *FULL* Of Incentives

For Our Lands, Waters and Wildlife. – TRUE

For More Oil and Gas Drilling. – FALSE

Dear Colleague:

You may have heard some talk about how, by reinvesting federal revenues from OCS development for conservation and restoration projects, we're placing our environment at risk. We think you should know the full story.

The Conservation and Reinvestment Act (CARA) is **bipartisan** legislation which has been available for comment since last summer. The goal of CARA is to reinvest revenue from nonrenewable resources into renewable resources for valuable conservation programs and our coastal communities. **All 50 states and territories benefit from CARA.** This is accomplished while **protecting the rights of private property owners** and **not creating incentives for oil and gas development.**

Don't just take our word for it...

For us, this bill provides a reinvestment of revenue, not a vehicle for providing oil and gas incentives. While working to make those words reality in the legislation, we asked the U.S. Department of the Interior's Minerals Management Service (MMS) to prepare an analysis on the distribution of funds based on CARA's formula. We were in search of data to assess the perception of "hidden incentives".

What they found is compelling. While the rhetoric of our formula providing incentives sounds plausible, the facts belie this notion. MMS found that if currently non-producing leases off-shore California were allowed to begin production during a 10 year period beginning in 1999 and continuing through 2008, **the cumulative increase in its allocation would be approximately 1.3 percent.** In dollars, that works out to about \$1.5 million. Over those ten years, that sum would be divided between the state and all local governments impacted by the development. Do you believe a sum that small would sway the public opinion in a state as large as California? We don't.

So let's keep our eye on what this bill accomplishes...

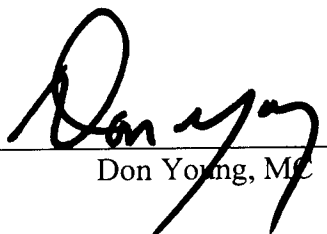
- ✓ Provides more than \$1 billion dollars for valuable conservation programs.
- ✓ Protects current moratoria on offshore oil and gas development.
- ✓ Permanently funds the Land and Water Conservation Fund.
- ✓ Provides significant funding for UPARR to benefit the funding of parks within our urban cities.
- ✓ Provides protection for private land owners.
- ✓ Assists all 50 states and territories in providing outdoor and recreation opportunities for all Americans.
- ✓ Shares revenue from OCS development with 35 coastal states and territories.
- ✓ Assists all 50 states and territories in enhancing state-based wildlife conservation and education.

The following 35 Members are already cosponsors of CARA:

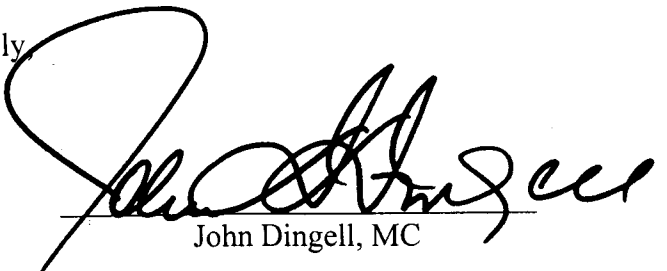
Young(R-AK), Dingell(D-MI), Tauzin(R-LA), John(D-LA), Baker(R-LA), Rangel(D-NY), Chambliss(R-GA), Peterson(D-MN), Rogers(R-KY), Tanner(D-TN), Livingston(R-LA), Lampson(D-TX), McCrery(R-LA), Towns(D-NY), Goss(R-FL), Kildee(D-MI), Norwood(R-GA), Shows(D-MS), Hilliard(D-AL), Sessions(R-TX), Luther((D-MN), Roemer(D-IN), McCarthy(D-MO), Weygand(D-RI), Weller(R-IL), Watkins(R-OK), Jefferson(D-LA), Jackson-Lee(D-TX), Cooksey(R-LA), Holden(D-PA), Bass(R-NH), Johnson(D-TX), Gilchrest(R-MD), Bono(R-CA), Duncan(R-TN)

The Conservation and Reinvestment Act was reintroduced in the 106th Congress as H.R. 701. We have worked with representatives of the conservation community to address concerns regarding incentives and will continue to work to resolve them. **We urge you to join us as a cosponsor of this historic and bipartisan legislation.** Please contact Mike Henry at 5-9297 with any questions and to become a cosponsor.

Sincerely,



Don Young, MC



John Dingell, MC